

National Forge Company Holdings, Inc.  
Consolidated Balance Sheet  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Restated June 30, 1997	Restated June 30, 1998	Restated June 30, 1999	Forecast June 30, 2000	Forecast June 30, 2001	Forecast June 30, 2002	Forecast June 30, 2003
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 3,341	\$ 6,320	\$ 383	\$ 853	\$ 44	\$ 10	\$ 33
Restricted escrow	0	192	237	510	0	0	0
Accounts receivable	13,189	16,887	15,399	16,435	13,700	14,055	14,474
<b>Inventories:</b>							
Work in process	13,776	13,329	11,951	14,541	11,361	11,567	12,018
Raw materials	1,035	1,047	998	900	900	900	900
Supplies	2,031	2,495	2,296	2,192	2,187	2,187	2,187
Total Inventories	16,842	16,871	15,245	17,633	14,448	14,654	15,105
Prepaid expenses	444	471	84	558	503	504	500
Deferred income taxes	259	306	0	0	0	0	0
<b>Total Current Assets</b>	<b>34,075</b>	<b>41,047</b>	<b>31,348</b>	<b>35,989</b>	<b>28,695</b>	<b>29,223</b>	<b>30,112</b>
Property, Plant and Equipment - net	25,559	27,757	30,277	31,156	33,131	34,031	34,731
Deferred Income Taxes	6,443	6,235	0	0	0	0	0
Other Assets	10,463	9,760	9,351	8,844	8,334	7,825	7,317
Goodwill	4,619	10,450	9,627	9,359	8,853	8,348	7,842
<b>TOTAL ASSETS</b>	<b>\$81,159</b>	<b>\$95,249</b>	<b>\$80,603</b>	<b>\$85,348</b>	<b>\$79,013</b>	<b>\$79,427</b>	<b>\$80,002</b>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Notes payable	\$ 75	\$ 925	\$ 1,887	\$ 1,545	\$ 5,701	\$ 10,434	\$ 16,803
Current portion of long term debt	5,571	6,324	4,570	7,367	4,219	4,126	2,728
Accounts payable	4,589	6,363	5,202	5,106	5,100	5,294	5,559
Salaries, wages and commissions	3,392	4,193	4,297	5,523	1,887	1,937	1,952
Accrued taxes on income	0	169	681	393	(97)	(65)	128
Accrued pension	1,010	920	114	(11)	(88)	(172)	(265)
Customer deposits	305	227	117	200	200	200	200
Deferred income taxes	0	369	349	358	358	358	358
Other accrued liabilities	3,626	3,846	4,251	3,660	3,966	4,184	4,200
<b>Total Current Liabilities</b>	<b>18,568</b>	<b>23,336</b>	<b>21,468</b>	<b>24,141</b>	<b>21,246</b>	<b>26,296</b>	<b>31,663</b>
Long Term Debt	9,561	22,270	17,597	11,259	8,046	4,087	1,343
Pension and Other Noncurrent Liabilities	1,278	324	(819)	(1,006)	(956)	(1,063)	(1,063)
Postretirement and Postemployment Benefits Other Than Pensions	32,119	32,686	32,643	33,694	34,736	35,706	36,600
<b>TOTAL LIABILITIES</b>	<b>61,526</b>	<b>78,616</b>	<b>70,889</b>	<b>68,088</b>	<b>63,072</b>	<b>65,026</b>	<b>68,543</b>
Minority Interest	0	32	35	62	70	77	85
<b>SHAREHOLDERS' EQUITY</b>							
Common Stock, \$.01 Par Value-authorized 635,000 shares	2	3	4	5	5	5	5
Additional Paid in Capital	13,185	17,401	21,201	27,525	30,225	31,534	32,834
Retained Earnings (Deficit)	2,896	119	(10,759)	(8,327)	(10,690)	(12,211)	(15,118)
Minimum Pension Liability Adjustment	0	(571)	0	0	0	0	0
Foreign Currency Translation Adjustment	249	280	(68)	231	266	240	218
Treasury Stock	(200)	(633)	(699)	(2,236)	(3,934)	(5,244)	(6,565)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>19,633</b>	<b>16,601</b>	<b>9,679</b>	<b>17,198</b>	<b>15,871</b>	<b>14,324</b>	<b>11,374</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$81,159</b>	<b>\$95,249</b>	<b>\$80,603</b>	<b>\$85,348</b>	<b>\$79,013</b>	<b>\$79,427</b>	<b>\$80,002</b>
<b>WORKING CAPITAL</b>	<b>\$15,507</b>	<b>\$17,711</b>	<b>\$9,880</b>	<b>\$11,848</b>	<b>\$7,449</b>	<b>\$2,927</b>	<b>(\$1,551)</b>

The Irvine Plant inventories as of 6/30/99 are valued on a FIFO basis.

National Forge Company Holdings, Inc.  
Consolidated  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Restated FY 1997	Restated FY 1998	Restated FY 1999	Forecast FY 2000	Forecast FY 2001	Forecast FY 2002	Forecast FY 2003
Cash Flows From Operating Activities:							
Net income (loss)	\$4,021	\$2,201	(\$5,419)	\$2,432	(\$2,357)	(\$1,521)	(\$2,917)
Adjustment to reconcile net income to net cash provided by operating activities:							
Provision for stock to be issued to the ESOP Trust	5,600	5,100	5,400	6,324	2,700	1,309	1,300
Depreciation	2,094	2,441	2,729	3,160	3,480	3,699	3,899
Amortization	1,093	2,259	1,039	1,028	1,016	1,013	1,013
Deferred taxes	(307)	215	6,541	0	0	0	0
Change in assets and liabilities:							
(Increase) decrease in restricted escrow	0	(192)	(45)	(273)	510	0	0
(Increase) decrease in accounts receivable	4,442	(2,098)	1,488	(1,036)	2,735	(355)	(419)
(Increase) decrease in inventories	2,530	482	1,626	(2,388)	3,185	(206)	(451)
(Increase) decrease in prepaid expenses	(379)	(27)	387	(474)	55	(1)	4
Increase (decrease) in accounts payable	(849)	388	(1,161)	(96)	(6)	194	265
Increase (decrease) in income taxes	(308)	169	512	(288)	(490)	32	193
Increase (decrease) in customer deposits	165	(78)	(110)	83	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	780	890	(297)	511	(3,348)	184	(62)
Other net	(196)	(2,310)	(419)	638	1,092	864	894
Net Cash Provided By (Used For) Operating Activities	18,686	9,440	12,271	9,621	8,572	5,212	3,719
Cash Flows From Investing Activities:							
(Additions) reductions of property, plant and equipment	(5,350)	(4,109)	(5,508)	(3,900)	(5,455)	(4,599)	(4,599)
Business Combinations	0	(7,048)	0	0	0	0	0
Cash Included in Business Combinations	0	149	0	0	0	0	0
Net Cash Used In Investing Activities	(5,350)	(11,008)	(5,508)	(3,900)	(5,455)	(4,599)	(4,599)
Cash Flows From Financing Activities:							
Additional (repayment of) borrowings	(7,640)	14,312	(5,465)	(3,883)	(2,205)	681	2,227
Dividend Payment	(350)	(267)	0	0	0	0	0
Repurchase of stock	(200)	(9,747)	(7,126)	(1,537)	(1,698)	(1,310)	(1,321)
Net Cash Provided By Financing Activities	(8,190)	4,298	(12,591)	(5,420)	(3,903)	(629)	906
Change in cumulative foreign currency translation adjustment	709	249	(109)	169	(23)	(19)	(3)
Restatement of inventories to a FIFO basis	(3,114)	0	0	0	0	0	0
Increase (Decrease) In Cash And Cash Equivalents	<u>\$2,741</u>	<u>\$2,979</u>	<u>(\$5,937)</u>	<u>\$470</u>	<u>(\$809)</u>	<u>(\$34)</u>	<u>\$23</u>

National Forge Company  
Irvine Plant - only  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Restated FY 1997	Restated FY 1998	Restated FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Net Sales	\$ 79,320	\$ 76,099	\$ 69,651	\$ 76,270	\$ 62,184	\$ 61,392	\$ 61,630
Cost of sales:							
Cost of Goods	58,306	58,114	54,287	60,129	52,113	51,076	52,410
Lifo adjustment	-	-	-	-	-	-	-
Errors and defects	2,180	2,102	1,564	1,721	1,456	1,444	1,447
Period costs	1,760	1,509	1,530	1,626	1,600	1,585	1,622
Research and development	44	175	133	372	276	276	276
Cost of sales	<u>62,290</u>	<u>61,900</u>	<u>57,514</u>	<u>63,848</u>	<u>55,445</u>	<u>54,381</u>	<u>55,755</u>
Gross profit	<u>17,030</u>	<u>14,199</u>	<u>12,137</u>	<u>12,422</u>	<u>6,739</u>	<u>7,011</u>	<u>5,875</u>
Gross Profit %	21.5%	18.7%	17.4%	16.3%	10.8%	11.4%	9.5%
Selling and Administrative	8,384	7,359	7,199	7,711	7,317	7,170	7,300
Operating profit	<u>8,646</u>	<u>6,840</u>	<u>4,938</u>	<u>4,711</u>	<u>(578)</u>	<u>(159)</u>	<u>(1,425)</u>
Operating Profit %	10.9%	9.0%	7.1%	6.2%	-0.9%	-0.3%	-2.3%
Other expense (income)	873	939	379	923	858	756	756
Interest expense	2,438	1,887	1,619	1,506	1,193	1,161	1,369
Pre-tax profit	<u>5,335</u>	<u>4,014</u>	<u>2,940</u>	<u>2,282</u>	<u>(2,629)</u>	<u>(2,076)</u>	<u>(3,550)</u>
Pre-tax profit %	<u>6.7%</u>	<u>5.3%</u>	<u>4.2%</u>	<u>3.0%</u>	<u>-4.2%</u>	<u>-3.4%</u>	<u>-5.8%</u>
Extraordinary charge	-	1,166	-	-	-	-	-
Taxes	1,830	994	8,035	-	-	-	-
Net Income	<u>\$ 3,505</u>	<u>\$ 1,854</u>	<u>\$ (5,095)</u>	<u>\$ 2,282</u>	<u>\$ (2,629)</u>	<u>\$ (2,076)</u>	<u>\$ (3,550)</u>
Depreciation	<u>\$ 1,788</u>	<u>\$ 2,062</u>	<u>\$ 2,290</u>	<u>\$ 2,671</u>	<u>\$ 2,911</u>	<u>\$ 3,037</u>	<u>\$ 3,179</u>

National Forest Company  
Irvine Plant - only

## Balance Sheet

Strategic Long Range Forecast (A)  
(dollars in thousands)

	Restated June 30, 1997	Restated June 30, 1998	Restated June 30, 1999	Forecast June 30, 2000	Forecast June 30, 2001	Forecast June 30, 2002	Forecast June 30, 2003
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 2,924	\$ 6,074	\$ 348	\$ 849	\$ -	\$ -	\$ -
Accounts receivable	11,316	12,511	11,616	12,733	9,710	9,587	9,624
Intercompany receivable	66	48	362	571	1,025	1,533	1,812
<b>Inventories:</b>							
Work in process	11,594	10,714	10,382	12,992	9,703	9,704	10,011
Raw materials	1,035	1,047	998	900	900	900	900
Supplies	1,959	2,288	2,084	2,000	2,000	2,000	2,000
Total Inventories	14,588	14,049	13,464	15,892	12,603	12,604	12,911
Prepaid expenses	510	558	73	550	500	500	500
Deferred income taxes	259	306	-	-	-	-	-
<b>Total Current Assets</b>	<b>29,663</b>	<b>33,546</b>	<b>25,863</b>	<b>30,595</b>	<b>23,838</b>	<b>24,224</b>	<b>24,847</b>
Property, Plant and Equipment - net	21,446	22,897	25,787	26,318	27,407	28,370	29,191
Investment in Subsidiaries	5,138	6,785	6,727	6,746	6,746	6,746	6,746
Deferred Income Taxes	6,734	6,236	-	-	-	-	-
Other Assets	9,905	9,141	8,684	8,159	7,649	7,140	6,632
Goodwill	4,619	4,418	4,217	4,016	3,815	3,615	3,414
<b>TOTAL ASSETS</b>	<b>\$ 77,505</b>	<b>\$ 83,023</b>	<b>\$ 71,278</b>	<b>\$ 75,834</b>	<b>\$ 69,455</b>	<b>\$ 70,095</b>	<b>\$ 70,830</b>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Notes payable	\$ -	\$ -	\$ 786	\$ -	\$ 4,203	\$ 8,949	\$ 15,564
Current portion of long term debt	5,047	4,759	3,228	5,889	3,236	3,143	1,789
Accounts payable	3,400	3,456	3,195	3,200	2,800	2,800	2,800
Salaries, wages and commissions	3,392	4,193	4,292	5,520	1,887	1,937	1,952
Accrued taxes on income	0	0	430	320	0	0	0
Accrued pension	1,010	920	114	(11)	(88)	(172)	(265)
Customer deposits	187	227	66	200	200	200	200
Deferred income taxes	-	-	-	-	-	-	-
Other accrued liabilities	3,595	3,753	4,174	3,618	3,889	4,095	4,113
<b>Total Current Liabilities</b>	<b>16,631</b>	<b>17,308</b>	<b>16,285</b>	<b>18,736</b>	<b>16,127</b>	<b>20,952</b>	<b>26,153</b>
Long Term Debt	8,620	17,112	13,884	7,995	4,760	1,789	-
Pension and Other Noncurrent Liabilities	1,278	324	(819)	(1,006)	(956)	(1,063)	(1,063)
Postretirement and Postemployment Benefits							
Other Than Pensions	32,119	32,686	32,643	33,694	34,736	35,706	36,600
Intercompany Payables	14,659	9,890	8,164	12,952	13,954	13,953	13,932
<b>TOTAL LIABILITIES</b>	<b>73,307</b>	<b>77,320</b>	<b>70,157</b>	<b>72,371</b>	<b>68,621</b>	<b>71,337</b>	<b>75,622</b>
<b>SHAREHOLDERS' EQUITY</b>							
Common Stock	0	0	0	0	0	0	0
Additional Paid in Capital	1,601	1,601	1,601	1,601	1,601	1,601	1,601
Retained Earnings (Deficit)	2,554	4,629	(466)	1,816	(813)	(2,889)	(6,439)
Minimum Pension Liability Adjustment	0	(571)	0	0	0	0	0
Foreign Currency Translation Adjustment	43	44	(14)	46	46	46	46
Treasury Stock	0	0	0	0	0	0	0
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>4,198</b>	<b>5,703</b>	<b>1,121</b>	<b>3,463</b>	<b>834</b>	<b>(1,242)</b>	<b>(4,792)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 77,505</b>	<b>\$ 83,023</b>	<b>\$ 71,278</b>	<b>\$ 75,834</b>	<b>\$ 69,455</b>	<b>\$ 70,095</b>	<b>\$ 70,830</b>
<b>WORKING CAPITAL</b>	<b>\$ 13,032</b>	<b>\$ 16,238</b>	<b>\$ 9,578</b>	<b>\$ 11,859</b>	<b>\$ 7,711</b>	<b>\$ 3,272</b>	<b>\$ (1,306)</b>

National Forge Company  
Irvine Plant - only  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Restated FY 1997	Restated FY 1998	Restated FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Cash Flows From Operating Activities:							
Net income (loss)	\$3,505	\$1,854	(\$5,095)	\$2,282	(\$2,629)	(\$2,076)	(\$3,550)
Adjustment to reconcile net income to net cash provided by operating activities:							
Provision for stock to be issued to the ESOP Trust	5,600	5,100	5,400	6,324	2,700	1,309	1,300
Depreciation	1,788	2,062	2,290	2,671	2,911	3,037	3,179
Amortization	1,093	2,132	728	724	711	708	708
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	3,087	(1,195)	895	(1,117)	3,023	123	(37)
(Increase) decrease in inventories	3,383	539	585	(2,428)	3,289	(1)	(307)
(Increase) decrease in prepaid expenses	(456)	(48)	485	(477)	50	0	0
Increase (decrease) in accounts payable	(722)	56	(261)	5	(400)	0	0
Increase (decrease) in income taxes	(165)	0	430	(110)	(320)	0	0
Increase (decrease) in customer deposits	47	40	(161)	134	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	(4,851)	(4,231)	(5,686)	547	(3,439)	172	(60)
Other net	(723)	(3,321)	5,915	847	1,092	864	895
Net Cash Provided By (Used For) Operating Activities	11,586	2,988	5,525	9,402	6,988	4,136	2,128
Cash Flows From Investing Activities:							
(Additions) reductions of property, plant and equipment	(4,750)	(3,513)	(5,180)	(3,202)	(4,000)	(4,000)	(4,000)
Net Cash Used In Investing Activities	(4,750)	(3,513)	(5,180)	(3,202)	(4,000)	(4,000)	(4,000)
Cash Flows From Financing Activities:							
Additional (repayment of) borrowings	(6,782)	8,204	(3,973)	(4,014)	(1,685)	1,682	3,472
Increase (decrease) in intercompany account	5,077	(4,751)	(2,040)	(1,745)	(2,152)	(1,818)	(1,600)
Net Cash Provided By Financing Activities	(1,705)	3,453	(6,013)	(5,759)	(3,837)	(136)	1,872
Change in cumulative foreign currency translation adjustment	394	222	(58)	60	0	0	0
Restatement of inventories to a FIFO basis	(3,114)	0	0	0	0	0	0
Increase (Decrease) In Cash And Cash Equivalents	\$2,411	\$3,150	(\$5,726)	\$501	(\$849)	\$0	\$0

National Forge Components, Inc.  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual 2 Months FY 1997	Actual FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Sales-customers	\$ 38	348	297	510	526	557	595
Sales-intercompany	1	4	1	-	-	-	-
Net Sales	<u>39</u>	<u>352</u>	<u>298</u>	<u>510</u>	<u>526</u>	<u>557</u>	<u>595</u>
Cost of sales:							
Material		-	-	64	67	73	87
Labor	8	65	74	124	132	138	145
Overhead	15	62	130	127	127	130	137
Cost of sales	<u>23</u>	<u>127</u>	<u>204</u>	<u>315</u>	<u>326</u>	<u>341</u>	<u>359</u>
Gross profit	<u>16</u>	<u>225</u>	<u>94</u>	<u>195</u>	<u>200</u>	<u>216</u>	<u>236</u>
Gross profit %	41.0%	63.9%	31.5%	38.2%	38.0%	38.8%	40.0%
Administrative	15	62	66	75	69	69	70
Operating profit	<u>1</u>	<u>163</u>	<u>28</u>	<u>120</u>	<u>131</u>	<u>147</u>	<u>166</u>
Operating profit %	2.6%	46.3%	9.4%	23.5%	24.9%	26.4%	28.2%
Other expense (income)			-	(2)	(27)	(27)	(2)
Interest expense	-	1	(3)	13	14	13	1
Pre-tax profit	<u>1</u>	<u>162</u>	<u>31</u>	<u>109</u>	<u>144</u>	<u>161</u>	<u>183</u>
Pre-tax profit %	2.6%	46.0%	10.4%	21.4%	27.4%	28.9%	30.8%
Taxes	-	66	17	4	5	5	
Net Income	<u>\$ 1</u>	<u>\$ 96</u>	<u>\$ 14</u>	<u>\$ 105</u>	<u>\$ 139</u>	<u>\$ 156</u>	<u>\$ 177</u>
Depreciation	<u>\$ 1</u>	<u>\$ 6</u>	<u>9</u>	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ 1</u>
Dividends Paid				100	150	150	17

National Forge Components, Inc.  
Balance Sheet  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual June 30, 1997	Actual June 30, 1998	Actual June 30, 1999	Forecast June 30, 2000	Forecast June 30, 2001	Forecast June 30, 2002	Forecast June 30, 2003
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 1	\$ 1	\$ -	\$ 1	\$ -	\$ 1	\$ 1
Accounts receivable	37	39	53	95	88	93	99
Intercompany receivable	-	-	-	-	-	-	-
<b>Inventories:</b>							
Work in process	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Total Inventories	-	-	-	-	-	-	-
Prepaid expenses	-	-	6	6	-	-	-
<b>Total Current Assets</b>	<b>38</b>	<b>40</b>	<b>59</b>	<b>102</b>	<b>88</b>	<b>94</b>	<b>100</b>
Property, Plant and Equipment - net	63	61	87	75	63	51	39
Deferred Income Taxes	-	(1)	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 101</b>	<b>\$ 100</b>	<b>\$ 146</b>	<b>\$ 177</b>	<b>\$ 151</b>	<b>\$ 145</b>	<b>\$ 139</b>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Notes payable	-	-	-	-	-	-	-
Current portion of long term debt	-	-	4	-	-	-	-
Accounts payable	-	-	5	3	-	-	-
Salaries, wages and commissions	0	47	(6)	5	5	5	5
Accrued taxes on income	31	3	-	1	-	-	-
Other accrued liabilities	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>31</b>	<b>50</b>	<b>3</b>	<b>9</b>	<b>5</b>	<b>5</b>	<b>5</b>
Intercompany Payables	68	(48)	131	151	140	128	119
<b>TOTAL LIABILITIES</b>	<b>99</b>	<b>2</b>	<b>134</b>	<b>160</b>	<b>145</b>	<b>133</b>	<b>124</b>
<b>SHAREHOLDERS' EQUITY</b>							
Common Stock	1	1	1	1	1	1	1
Additional Paid in Capital	0	0	-	-	-	-	-
Retained Earnings (Deficit)	1	97	11	16	5	11	14
Foreign Currency Translation Adjustment	-	-	-	-	-	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>2</b>	<b>98</b>	<b>12</b>	<b>17</b>	<b>6</b>	<b>12</b>	<b>15</b>
<b>TOTAL LIABILITIES, PREFERRED STOCK AND EQUITY</b>	<b>\$ 101</b>	<b>\$ 100</b>	<b>\$ 146</b>	<b>\$ 177</b>	<b>\$ 151</b>	<b>\$ 145</b>	<b>\$ 139</b>
<b>WORKING CAPITAL</b>	<b>\$ 7</b>	<b>\$ (10)</b>	<b>\$ 56</b>	<b>\$ 93</b>	<b>\$ 83</b>	<b>\$ 89</b>	<b>\$ 95</b>

National Forge Components, Inc.  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual FY 1997	Actual FY 1998	Actual FY FY1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Cash Flows From Operating Activities:							
Net income (loss)	\$1	\$96	\$14	\$105	\$139	\$156	\$178
Adjustment to reconcile net income to net cash provided by operating activities:							
Depreciation	1	6	9	12	12	12	12
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	(37)	(2)	(14)	(42)	7	(5)	(6)
(Increase) decrease in inventories	0	0	0	0	0	0	0
(Increase) decrease in prepaid expenses	0	0	(6)	0	6	0	0
Increase (decrease) in accounts payable	0	0	4	(4)	0	0	0
Increase (decrease) in income taxes	0	47	(53)	11	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	31	(28)	2	(1)	(4)	0	0
Other net	0	1	(1)	0	0	0	0
Net Cash Provided By (Used For) Operating Activities	(4)	120	(45)	81	160	163	184
Cash Flows From Investing Activities:							
Additions) reductions of property, plant and equipment	(64)	(4)	(35)	0	0	0	0
Net Cash Used In Investing Activities	(64)	(4)	(35)	0	0	0	0
Cash Flows From Financing Activities:							
Additional (repayment of) borrowings	0	0	0	0	0	0	0
Issuance of stock	1	0	0	0	0	0	0
Dividend payment			(100)	(100)	(150)	(150)	(175)
Increase (decrease) in intercompany account	68	(116)	179	20	(11)	(12)	(9)
Net Cash Provided By Financing Activities	69	(116)	79	(80)	(161)	(162)	(184)
Increase (Decrease) In Cash And Cash Equivalents	\$1	\$0	(\$1)	\$1	(\$1)	\$1	\$0



Mitchell, Shackleton & Co. LTD.  
A Subsidiary of National Forge Europe Ltd.  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual FY 1997	Actual FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Sales-customers	\$ 8,612	\$ 8,879	\$ 8,592	\$ 8,437	\$ 10,138	\$ 11,280	\$ 12,212
Sales-intercompany	-	-	31	2	-	-	-
Net Sales	<u>\$ 8,612</u>	<u>\$ 8,879</u>	<u>\$ 8,623</u>	<u>\$ 8,439</u>	<u>\$ 10,138</u>	<u>\$ 11,280</u>	<u>\$ 12,212</u>
Cost of sales:							
Material	2,438	2,811	2,874	2,942	3,750	4,332	4,581
Labor	1,213	1,166	1,196	1,128	1,361	1,490	1,644
Overhead	2,869	3,148	3,065	2,486	2,714	2,867	3,221
Errors and defects	145	172	110	261	312	311	311
Cost of sales	<u>6,665</u>	<u>7,297</u>	<u>7,245</u>	<u>6,817</u>	<u>8,137</u>	<u>9,000</u>	<u>9,757</u>
Gross profit	<u>1,947</u>	<u>1,582</u>	<u>1,378</u>	<u>1,622</u>	<u>2,001</u>	<u>2,280</u>	<u>2,455</u>
Gross Profit %	22.6%	17.8%	16.0%	19.2%	19.7%	20.2%	20.1%
Selling and Administrative	1,223	1,247	1,406	1,318	1,542	1,604	1,697
Operating profit	<u>724</u>	<u>335</u>	<u>(28)</u>	<u>304</u>	<u>459</u>	<u>676</u>	<u>758</u>
Operating Profit %	8.4%	3.8%	-0.3%	3.6%	4.5%	6.0%	6.2%
Other expense (income)	2	-	3	-	-	-	-
Interest expense	136	132	142	100	152	152	121
Pre-tax profit	<u>586</u>	<u>203</u>	<u>(173)</u>	<u>204</u>	<u>307</u>	<u>524</u>	<u>637</u>
Pre-tax profit %	<u>6.8%</u>	<u>2.3%</u>	<u>-2.0%</u>	<u>2.4%</u>	<u>3.0%</u>	<u>4.6%</u>	<u>5.2%</u>
Taxes	268	67	-	-	-	30	200
Net Income	<u>\$ 318</u>	<u>\$ 136</u>	<u>\$ (173)</u>	<u>\$ 204</u>	<u>\$ 307</u>	<u>\$ 494</u>	<u>\$ 437</u>
Depreciation	<u>\$ 305</u>	<u>\$ 341</u>	<u>\$ 355</u>	<u>\$ 389</u>	<u>\$ 454</u>	<u>\$ 541</u>	<u>\$ 585</u>
Exchange rate	1.50	1.65	1.62	1.62	1.62	1.62	1.62

Mitchell, Shackleton & Co., Ltd.  
A Subsidiary of National Forge Europe Ltd.

## Balance Sheet

## Strategic Long Range Forecast (A)

(dollars in thousands)

	Actual June 30, 1997	Actual June 30, 1998	Actual June 30, 1999	Forecast June 30, 2000	Forecast June 30, 2001	Forecast June 30, 2002	Forecast June 30, 2003
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 416	\$ 245	\$ 5	\$ 3	\$ 3	\$ 3	\$ 3
Accounts receivable	1,836	2,762	2,852	2,416	2,730	2,996	3,236
Intercompany receivable	2	(28)	(85)	(73)	(89)	(89)	(89)
Inventories:							
Work in process	2,182	2,241	1,451	1,365	1,549	1,718	1,819
Raw materials	-	-	-	-	-	-	-
Supplies	72	62	50	49	49	49	49
Total Inventories	2,254	2,303	1,501	1,414	1,598	1,767	1,868
Prepaid expenses	2	12	-	-	-	-	-
Total Current Assets	4,510	5,294	4,273	3,760	4,242	4,677	5,018
Property, Plant and Equipment - net	4,050	4,157	3,835	4,080	4,985	4,930	4,831
Investment in subsidiaries	-	125	125	125	125	125	125
Deferred Income Taxes	-	-	-	-	-	-	-
Other Assets	558	619	667	685	685	685	685
<b>TOTAL ASSETS</b>	<b>\$ 9,118</b>	<b>\$ 10,195</b>	<b>\$ 8,900</b>	<b>\$ 8,650</b>	<b>\$ 10,037</b>	<b>\$ 10,417</b>	<b>\$ 10,659</b>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Notes payable	\$ 75	\$ 685	\$ 885	\$ 683	\$ 641	\$ 675	\$ 429
Current portion of long term debt	524	654	418	407	277	277	233
Accounts payable	1,189	1,716	1,284	1,042	1,393	1,487	1,667
Accrued taxes on income	-	-	-	-	-	30	200
Customer deposits	118	-	27	-	-	-	-
Other accrued liabilities	-	-	49	14	47	58	51
Deferred tax liabilities	291	369	349	358	358	358	358
Total Current Liabilities	2,197	3,424	3,012	2,504	2,716	2,885	2,938
Long Term Debt	941	649	192	94	966	684	435
Pension and Other Noncurrent Liabilities	-	-	-	-	-	-	-
Postretirement and Postemployment Benefits							
Other Than Pensions	-	-	-	-	-	-	-
Intercompany Payables	1,074	1,075	1,017	1,045	1,045	1,045	1,045
<b>TOTAL LIABILITIES</b>	<b>4,212</b>	<b>5,148</b>	<b>4,221</b>	<b>3,643</b>	<b>4,727</b>	<b>4,614</b>	<b>4,418</b>
<b>SHAREHOLDERS' EQUITY</b>							
Common Stock	2,708	2,708	2,708	2,708	2,708	2,708	2,708
Additional Paid in Capital	1,847	1,847	1,847	1,847	1,847	1,847	1,847
Retained Earnings (Deficit)	(858)	(722)	(895)	(691)	(384)	110	547
Foreign Currency Translation Adjustment	1,209	1,214	1,019	1,143	1,139	1,138	1,139
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>4,906</b>	<b>5,047</b>	<b>4,679</b>	<b>5,007</b>	<b>5,310</b>	<b>5,803</b>	<b>6,241</b>
<b>TOTAL LIABILITIES, PREFERRED STOCK AND EQUITY</b>	<b>\$ 9,118</b>	<b>\$ 10,195</b>	<b>\$ 8,900</b>	<b>\$ 8,650</b>	<b>\$ 10,037</b>	<b>\$ 10,417</b>	<b>\$ 10,659</b>
<b>WORKING CAPITAL</b>	<b>\$ 2,313</b>	<b>\$ 1,870</b>	<b>\$ 1,261</b>	<b>\$ 1,256</b>	<b>\$ 1,526</b>	<b>\$ 1,792</b>	<b>\$ 2,080</b>
Exchange rate	1.60	1.65	1.58	1.62	1.62	1.62	1.62

Mitchell, Shackleton & Co. LTD.  
A Subsidiary of National Forge Europe Ltd.  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual FY 1997	Actual FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Cash Flows From Operating Activities:							
Net income (loss)	\$318	\$136	(\$173)	\$204	\$307	\$494	\$437
Adjustment to reconcile net income to net cash provided by operating activities:							
Depreciation	305	341	355	389	454	541	585
Deferred taxes	291	78	0	0	0	0	0
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	1,392	(926)	(90)	436	(314)	(266)	(240)
(Increase) decrease in inventories	(853)	(49)	802	87	(184)	(169)	(101)
(Increase) decrease in prepaid expenses	9	(10)	12	0	0	0	0
Increase (decrease) in accounts payable	(127)	527	(432)	(242)	351	94	180
Increase (decrease) in income taxes	0	0	0	0	0	30	170
Increase (decrease) in customer deposits	118	(118)	27	(27)	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	0	0	49	(35)	33	11	(7)
Other net	(145)	(186)	(48)	(18)	0	0	0
Net Cash Provided By (Used For) Operating Activities	1,308	(207)	502	794	647	735	1,024
Cash Flows From Investing Activities:							
(Additions) reductions of property, plant and equipment	(536)	(448)	(239)	(508)	(1,359)	(486)	(486)
Net Cash Used In Investing Activities	(536)	(448)	(239)	(508)	(1,359)	(486)	(486)
Cash Flows From Financing Activities:							
Additional (repayment of) borrowings	(858)	448	(493)	(311)	700	(248)	(539)
Increase (decrease) in intercompany account	100	31	(1)	16	16	0	0
Net Cash Provided By Financing Activities	(758)	479	(494)	(295)	716	(248)	(539)
Change in cumulative foreign currency translation adjustment	315	5	(9)	7	(4)	(1)	1
Increase (Decrease) In Cash And Cash Equivalents	\$329	(\$171)	(\$240)	(\$2)	\$0	\$0	\$0

Global Crankshaft Services Ltd.  
A Subsidiary of Mitchell, Shackleton & Co. LTD.  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual 2 Months FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Sales-customers	\$ 23	\$ 354	\$ 832	\$ 583	\$ 729	\$ 810
Sales-intercompany	-	-	-	-	-	-
Net Sales	<u>\$ 23</u>	<u>\$ 354</u>	<u>\$ 832</u>	<u>\$ 583</u>	<u>\$ 729</u>	<u>\$ 810</u>
Cost of sales:						
Material	2	12	-	-	-	-
Labor	7	102	191	213	266	296
Overhead	13	69	259	77	97	109
Cost of sales	<u>22</u>	<u>183</u>	<u>450</u>	<u>290</u>	<u>363</u>	<u>405</u>
Gross profit	<u>1</u>	<u>171</u>	<u>382</u>	<u>293</u>	<u>366</u>	<u>405</u>
Gross Profit %	4.3%	48.3%	45.9%	50.3%	50.2%	50.0%
Selling and Administrative	21	176	223	209	257	282
Operating profit	<u>(20)</u>	<u>(5)</u>	<u>159</u>	<u>84</u>	<u>109</u>	<u>123</u>
Operating Profit %	-87.0%	-1.4%	19.1%	14.4%	15.0%	15.2%
Other expense (income)	-	-	-	-	-	-
Interest expense	-	2	5	1	1	-
Minority interest	(5)	(2)	28	13	18	21
Pre-tax profit	<u>(15)</u>	<u>(5)</u>	<u>126</u>	<u>70</u>	<u>90</u>	<u>102</u>
Pre-tax profit %	<u>-65.2%</u>	<u>-1.4%</u>	<u>15.1%</u>	<u>12.0%</u>	<u>12.3%</u>	<u>12.6%</u>
Taxes	-	(3)	38	26	34	38
Net Income	<u>\$ (15)</u>	<u>\$ (2)</u>	<u>\$ 88</u>	<u>\$ 44</u>	<u>\$ 56</u>	<u>\$ 64</u>
Depreciation	<u>4</u>	<u>25</u>	<u>27</u>	<u>39</u>	<u>38</u>	<u>45</u>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62

Global Crankshaft Services Ltd.  
A Subsidiary of Mitchell, Shackleton & Co. LTD.  
Balance Sheet  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual June 30, 1998	Actual June 30, 1999	Forecast June 30, 2000	Forecast June 30, 2001	Forecast June 30, 2002	Forecast June 30, 2003
<b>ASSETS</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 41	\$ 6	\$ 29
Accounts receivable	24	87	72	87	110	120
Intercompany receivable	(20)	-	-	-	-	-
Inventories:						
Work in process	-	3	-	-	-	-
Supplies	-	-	5	-	-	-
	<u>0</u>	<u>3</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Inventories	0	3	5	0	0	0
Prepaid expenses	9	2	2	3	4	-
	<u>13</u>	<u>92</u>	<u>79</u>	<u>131</u>	<u>120</u>	<u>149</u>
Total Current Assets	13	92	79	131	120	149
Property, Plant and Equipment - net	120	93	198	175	170	157
Deferred Income Taxes	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Goodwill	77	68	62	54	46	38
	<u>\$ 210</u>	<u>\$ 253</u>	<u>\$ 339</u>	<u>\$ 360</u>	<u>\$ 336</u>	<u>\$ 344</u>
<b>TOTAL ASSETS</b>						
<b>LIABILITIES</b>						
<b>Current Liabilities:</b>						
Notes payable	\$ 12	\$ 52	\$ 62	\$ 47	\$ -	\$ -
Current portion of long term debt	-	-	-	-	-	-
Accounts payable	50	44	55	72	87	98
Salaries, wages and commissions	-	-	-	-	-	-
Accrued taxes on income	-	(2)	38	19	27	31
Accrued pension	-	-	-	-	-	-
Customer deposits	-	24	-	-	-	-
Other accrued liabilities	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-
	<u>62</u>	<u>118</u>	<u>155</u>	<u>138</u>	<u>114</u>	<u>129</u>
Total Current Liabilities	62	118	155	138	114	129
Long Term Debt	-	-	-	-	-	-
Pension and Other Noncurrent Liabilities	-	-	-	-	-	-
Postretirement and Postemployment Benefits	-	-	-	-	-	-
Other Than Pensions	-	-	-	-	-	-
Intercompany Payables	-	-	-	-	-	-
	<u>62</u>	<u>118</u>	<u>155</u>	<u>138</u>	<u>114</u>	<u>129</u>
TOTAL LIABILITIES	62	118	155	138	114	129
Minority interest	32	35	62	70	77	85
<b>SHAREHOLDERS' EQUITY</b>						
Common Stock	125	125	125	125	125	125
Additional Paid in Capital	0	0	0	0	0	0
Retained Earnings (Deficit)	(15)	(17)	39	34	34	43
Foreign Currency Translation Adjustment	6	(8)	(42)	(7)	(14)	(38)
	<u>116</u>	<u>100</u>	<u>122</u>	<u>152</u>	<u>145</u>	<u>130</u>
TOTAL SHAREHOLDERS' EQUITY	116	100	122	152	145	130
<b>TOTAL LIABILITIES, PREFERRED STOCK AND EQUITY</b>						
	<u>\$ 210</u>	<u>\$ 253</u>	<u>\$ 339</u>	<u>\$ 360</u>	<u>\$ 336</u>	<u>\$ 344</u>
<b>WORKING CAPITAL</b>						
	<u>\$ (49)</u>	<u>\$ (26)</u>	<u>\$ (76)</u>	<u>\$ (7)</u>	<u>\$ 6</u>	<u>\$ 20</u>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62

Global Crankshaft Services Ltd.  
A Subsidiary of Mitchell, Shackleton & Co. LTD.  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Cash Flows From Operating Activities:						
Net income (loss)	(\$15)	(\$2)	\$88	\$44	\$56	\$64
Adjustment to reconcile net income to net cash provided by operating activities:						
Depreciation	4	25	27	39	38	45
Amortization	2	8	8	8	8	8
Change in assets and liabilities:						
(Increase) decrease in accounts receivable	(24)	(63)	15	(15)	(23)	(10)
(Increase) decrease in inventories	0	(3)	(2)	5	0	0
(Increase) decrease in prepaid expenses	(9)	7	0	(1)	(1)	4
Increase (decrease) in accounts payable	50	(6)	11	17	15	11
Increase (decrease) in income taxes	0	(2)	40	(19)	8	4
Increase (decrease) in customer deposits	0	24	(24)	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	0	0	0	0	0	0
Other net	(47)	4	25	8	7	8
Net Cash Provided By (Used For) Operating Activities	(39)	(8)	188	86	108	134
Cash Flows From Investing Activities:						
(Additions) reductions of property, plant and equipment	(124)	0	(130)	(16)	(33)	(32)
Net Cash Used In Investing Activities	(124)	0	(130)	(16)	(33)	(32)
Cash Flows From Financing Activities:						
Additional (repayment of) borrowings	12	40	(20)	15	(47)	0
Issuance of stock	125	0	0	0	0	0
Dividend payment	0	0	(32)	(57)	(75)	(87)
Increase (decrease) in intercompany account	20	(20)	0	0	0	0
Net Cash Provided By Financing Activities	157	20	(52)	(42)	(122)	(87)
Change in cumulative foreign currency translation adjustment	6	(12)	(6)	13	12	8
Increase (Decrease) In Cash And Cash Equivalents	\$0	\$0	\$0	\$41	(\$35)	\$23

North West Forgemasters Ltd.  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual 5 months FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2001	Forecast FY2003
Sales-customers	\$ 2,551	\$ 4,693	\$ 3,875	\$ 4,293	\$ 4,698	\$ 5,265
Sales-intercompany	-	5	2	-	-	-
Net Sales	<u>\$ 2,551</u>	<u>\$ 4,698</u>	<u>\$ 3,877</u>	<u>\$ 4,293</u>	<u>\$ 4,698</u>	<u>\$ 5,265</u>
Cost of sales:						
Material	1,349	2,503	1,956	2,210	2,418	2,710
Labor	166	269	282	314	344	385
Overhead	244	482	418	438	480	538
Errors and defects	-	-	-	-	-	-
Cost of sales	<u>1,759</u>	<u>3,254</u>	<u>2,656</u>	<u>2,962</u>	<u>3,242</u>	<u>3,633</u>
Gross profit	<u>792</u>	<u>1,444</u>	<u>1,221</u>	<u>1,331</u>	<u>1,456</u>	<u>1,632</u>
Gross Profit %	31.0%	30.7%	31.5%	31.0%	31.0%	31.0%
Selling and Administrative	408	699	663	729	778	807
Operating profit	<u>384</u>	<u>745</u>	<u>558</u>	<u>602</u>	<u>678</u>	<u>825</u>
Operating Profit %	15.1%	15.9%	14.4%	14.0%	14.4%	15.7%
Other expense (income)	(3)	-	-	-	-	-
Interest expense	-	4	41	61	68	61
Pre-tax profit	<u>387</u>	<u>741</u>	<u>517</u>	<u>541</u>	<u>610</u>	<u>764</u>
Pre-tax profit %	<u>15.2%</u>	<u>15.8%</u>	<u>13.3%</u>	<u>12.6%</u>	<u>13.0%</u>	<u>14.5%</u>
Taxes	127	185	88	88	91	115
Net Income	<u>\$ 260</u>	<u>\$ 556</u>	<u>\$ 429</u>	<u>\$ 453</u>	<u>\$ 519</u>	<u>\$ 649</u>
Depreciation	<u>\$ 28</u>	<u>\$ 50</u>	<u>\$ 61</u>	<u>\$ 64</u>	<u>\$ 71</u>	<u>\$ 78</u>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62

North West Forgemasters Ltd.  
Balance Sheet  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual June 30, 1998	Actual June 30, 1999	Forecast June 30, 2000	Forecast June 30, 2001	Forecast June 30, 2002	Forecast June 30, 2003
<b>ASSETS</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	1,551	789	1,119	1,085	1,269	1,395
Intercompany receivable	337	961	988	988	988	988
<b>Inventories:</b>						
Work in process	374	115	184	109	145	188
Raw materials	-	-	-	-	-	-
Supplies	145	162	138	138	138	138
Total Inventories	519	277	322	247	283	326
Prepaid expenses	-	-	-	-	-	-
Total Current Assets	2,407	2,027	2,429	2,320	2,540	2,709
Property, Plant and Equipment - net	522	475	485	501	510	513
Other Assets	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 2,929</u>	<u>\$ 2,502</u>	<u>\$ 2,914</u>	<u>\$ 2,821</u>	<u>\$ 3,050</u>	<u>\$ 3,222</u>
<b>LIABILITIES</b>						
<b>Current Liabilities:</b>						
Notes payable	\$ 228	\$ 164	\$ 800	\$ 810	\$ 810	\$ 810
Current portion of long term debt	-	-	-	-	-	-
Accounts payable	1,046	640	745	771	856	930
Accrued taxes on income	245	347	232	273	363	478
Other accrued liabilities	90	28	27	30	31	36
Total Current Liabilities	1,609	1,179	1,804	1,884	2,060	2,254
Long Term Debt	-	-	-	-	-	-
Pension and Other Noncurrent Liabilities	-	-	-	-	-	-
Postretirement and Postemployment Benefits	-	-	-	-	-	-
Other Than Pensions	-	-	-	-	-	-
Intercompany Payables	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>1,609</u>	<u>1,179</u>	<u>1,804</u>	<u>1,884</u>	<u>2,060</u>	<u>2,254</u>
<b>SHAREHOLDERS' EQUITY</b>						
Common Stock	2	2	2	2	2	2
Additional Paid in Capital	1,004	1,004	1,004	1,004	1,004	1,004
Retained Earnings (Deficit)	299	386	131	(41)	11	(11)
Foreign Currency Translation Adjustment	15	(69)	(27)	(28)	(27)	(27)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>1,320</u>	<u>1,323</u>	<u>1,110</u>	<u>937</u>	<u>990</u>	<u>968</u>
<b>TOTAL LIABILITIES, PREFERRED STOCK AND EQUITY</b>	<u>\$ 2,929</u>	<u>\$ 2,502</u>	<u>\$ 2,914</u>	<u>\$ 2,821</u>	<u>\$ 3,050</u>	<u>\$ 3,222</u>
<b>WORKING CAPITAL</b>	<u>\$ 798</u>	<u>\$ 848</u>	<u>\$ 625</u>	<u>\$ 436</u>	<u>\$ 480</u>	<u>\$ 455</u>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62



North West Forgemasters Ltd.  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Cash Flows From Operating Activities:						
Net income (loss)	\$260	\$556	\$429	\$453	\$519	\$649
Adjustment to reconcile net income to net cash provided by operating activities:						
Depreciation	28	50	61	64	71	78
Deferred taxes	(315)	0	0	0	0	0
Change in assets and liabilities:						
(Increase) decrease in accounts receivable	49	762	(330)	34	(184)	(126)
(Increase) decrease in inventories	(8)	242	(45)	75	(36)	(43)
(Increase) decrease in prepaid expenses	0	0	0	0	0	0
Increase (decrease) in accounts payable	(340)	(406)	105	26	85	74
Increase (decrease) in income taxes	245	102	(115)	41	90	115
Increase (decrease) in customer deposits	0	0	0	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	49	(62)	(1)	3	1	5
Other net	0	0	0	0	0	0
Net Cash Provided By (Used For) Operating Activities	(32)	1,244	104	696	546	752
Cash Flows From Investing Activities:						
(Additions) reductions of property, plant and equipment	(20)	(54)	(60)	(80)	(80)	(81)
Net Cash Used In Investing Activities	(20)	(54)	(60)	(80)	(80)	(81)
Cash Flows From Financing Activities:						
Additional (repayment of) borrowings	228	(64)	636	10	0	0
Dividend payment	0	(469)	(684)	(625)	(467)	(671)
Increase (decrease) in intercompany account	(340)	(624)	(27)	0	0	0
Net Cash Provided By Financing Activities	(112)	(1,157)	(75)	(615)	(467)	(671)
Change in cumulative foreign currency translation adjustment	15	(33)	31	(1)	1	0
Increase (Decrease) In Cash And Cash Equivalents	<u>(\$149)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

National Forge Europe, Ltd.  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual 5 months FY 1998	Actual FY1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Sales-customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dividend income	0	469	684	668	523	736
Net Sales	<u>\$ 0</u>	<u>\$ 469</u>	<u>\$ 684</u>	<u>\$ 668</u>	<u>\$ 523</u>	<u>\$ 736</u>
Cost of sales:						
Material	0	0	0	0	0	0
Labor	-	-	-	-	-	-
Overhead	-	-	-	-	-	-
Errors and defects	-	-	-	-	-	-
Cost of sales	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Gross profit	<u>-</u>	<u>469</u>	<u>684</u>	<u>668</u>	<u>523</u>	<u>736</u>
Gross Profit %	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Selling and Administrative	23	22	55	55	54	54
Operating profit	<u>(23)</u>	<u>447</u>	<u>629</u>	<u>613</u>	<u>469</u>	<u>682</u>
Operating Profit %	0.0%	95.3%	92.0%	91.8%	89.7%	92.7%
Other expense (income)	126	303	296	297	297	297
Interest expense	206	432	299	265	265	265
Pre-tax profit	<u>(355)</u>	<u>(288)</u>	<u>34</u>	<u>51</u>	<u>(93)</u>	<u>120</u>
Taxes	<u>(76)</u>	<u>(138)</u>	<u>(106)</u>	<u>(96)</u>	<u>(96)</u>	<u>(96)</u>
Net Income	<u>\$ (279)</u>	<u>\$ (150)</u>	<u>\$ 140</u>	<u>\$ 147</u>	<u>\$ 3</u>	<u>\$ 216</u>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62

National Forge Europe, Ltd.  
Including Only North West Forgemasters Ltd.  
Results of Operations  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual 5 months FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Sales-customers	\$ 2,551	\$ 4,693	\$ 3,875	\$ 4,293	\$ 4,698	\$ 5,265
Sales-intercompany	-	5	2	-	-	-
Net Sales	<u>\$ 2,551</u>	<u>\$ 4,698</u>	<u>\$ 3,877</u>	<u>\$ 4,293</u>	<u>\$ 4,698</u>	<u>\$ 5,265</u>
Cost of sales:						
Material	1,349	2,503	1,956	2,210	2,418	2,710
Labor	166	269	282	314	344	385
Overhead	244	482	418	438	480	538
Errors and defects	-	-	-	-	-	-
Cost of sales	<u>1,759</u>	<u>3,254</u>	<u>2,656</u>	<u>2,962</u>	<u>3,242</u>	<u>3,633</u>
Gross profit	<u>792</u>	<u>1,444</u>	<u>1,221</u>	<u>1,331</u>	<u>1,456</u>	<u>1,632</u>
Gross Profit %	31.0%	30.7%	31.5%	31.0%	31.0%	31.0%
Selling and Administrative	431	721	718	784	832	861
Operating profit	<u>361</u>	<u>723</u>	<u>503</u>	<u>547</u>	<u>624</u>	<u>771</u>
Operating Profit %	14.2%	15.4%	13.0%	12.7%	13.3%	14.6%
Other expense (income)	123	303	296	297	297	297
Interest expense	206	436	340	326	333	326
Pre-tax profit	<u>32</u>	<u>(16)</u>	<u>(133)</u>	<u>(76)</u>	<u>(6)</u>	<u>148</u>
Taxes	51	47	(18)	(8)	(5)	19
Net Income	<u>\$ (19)</u>	<u>\$ (63)</u>	<u>\$ (115)</u>	<u>\$ (68)</u>	<u>\$ (1)</u>	<u>\$ 129</u>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62

National Forge Europe, Ltd.  
A Subsidiary of National Forge Company  
Balance Sheet

Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual June 30, 1998	Actual June 30, 1999	Forecast June 30, 2000	Plan June 30, 2001	Plan June 30, 2002	Plan June 30, 2003
<b>ASSETS</b>						
Current Assets:						
Cash and cash equivalents	\$ -	30	\$ -	\$ -	\$ -	\$ -
Restricted escrow	192	237	510	-	-	-
Accounts receivable	-	2	-	-	-	-
Intercompany receivable	(385)	-	-	-	-	-
Inventories:						
Work in process	-	-	-	-	-	-
Raw materials	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Total Inventories	0	0	0	0	0	0
Prepaid expenses	3	3	-	-	-	-
Total Current Assets	(190)	272	510	0	0	0
Property, Plant and Equipment - net	-	-	-	-	-	-
Investment in Subsidiaries	5,108	5,108	5,108	5,108	5,108	5,108
Other Assets	-	-	-	-	-	-
Goodwill	5,955	5,342	5,281	4,984	4,687	4,390
<b>TOTAL ASSETS</b>	<b>\$ 10,873</b>	<b>\$ 10,722</b>	<b>\$ 10,899</b>	<b>\$ 10,092</b>	<b>\$ 9,795</b>	<b>\$ 9,498</b>
<b>LIABILITIES</b>						
Current Liabilities:						
Notes payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current portion of long term debt	911	924	1,071	706	706	706
Accounts payable	95	35	64	64	64	64
Accrued taxes on income	(76)	(152)	(266)	(458)	(554)	(650)
Other accrued liabilities	-	-	-	-	-	-
Total Current Liabilities	930	807	869	312	216	120
Long Term Debt	4,509	3,521	3,170	2,320	1,614	908
Pension and Other Noncurrent Liabilities	-	-	-	-	-	-
Postretirement and Postemployment Benefits	-	-	-	-	-	-
Other Than Pensions	-	-	-	-	-	-
Intercompany Payables	-	1,107	1,335	1,802	2,304	2,592
<b>TOTAL LIABILITIES</b>	<b>5,439</b>	<b>5,435</b>	<b>5,374</b>	<b>4,434</b>	<b>4,134</b>	<b>3,620</b>
<b>SHAREHOLDERS' EQUITY</b>						
Common Stock	5,709	5,709	5,709	5,709	5,709	5,709
Additional Paid in Capital	0	0	0	0	0	0
Retained Earnings (Deficit)	(279)	(429)	(289)	(142)	(139)	77
Foreign Currency Translation Adjustment	4	7	105	92	91	92
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>5,434</b>	<b>5,287</b>	<b>5,525</b>	<b>5,658</b>	<b>5,661</b>	<b>5,878</b>
<b>TOTAL LIABILITIES, PREFERRED STOCK AND EQUITY</b>	<b>\$ 10,873</b>	<b>\$ 10,722</b>	<b>\$ 10,899</b>	<b>\$ 10,092</b>	<b>\$ 9,795</b>	<b>\$ 9,498</b>
<b>WORKING CAPITAL</b>	<b>\$ (1,120)</b>	<b>\$ (535)</b>	<b>\$ (359)</b>	<b>\$ (312)</b>	<b>\$ (216)</b>	<b>\$ (120)</b>
Exchange rate	1.65	1.62	1.62	1.62	1.62	1.62

National Forge Europe Ltd.  
A Subsidiary of National Forge Company  
Statement of Cash Flows  
Strategic Long Range Forecast (A)  
(dollars in thousands)

	Actual FY 1998	Actual FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Cash Flows From Operating Activities:						
Net income (loss)	(\$279)	(\$150)	\$140	\$147	\$3	\$216
Adjustment to reconcile net income to net cash provided by operating activities:						
Depreciation	0	0	0	0	0	0
Amortization	0	303	296	297	297	297
Change in assets and liabilities:						
(Increase) decrease in restricted escrow	0	(45)	(273)	510	0	0
(Increase) decrease in accounts receivable	0	(2)	2	0	0	0
(Increase) decrease in inventories	0	0	0	0	0	0
(Increase) decrease in prepaid expenses	(3)	0	3	0	0	0
Increase (decrease) in accounts payable	95	(60)	29	0	0	0
Increase (decrease) in income taxes	(76)	(76)	(114)	(192)	(96)	(96)
Increase (decrease) in customer deposits	0	0	0	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	0	0	0	0	0	0
Other net	1,502	310	(235)	0	0	0
Net Cash Provided By (Used For) Operating Activities	1,239	280	(152)	762	204	417
Cash Flows From Investing Activities:						
(Additions) reductions of property, plant and equipment	(7,048)	0	0	0	0	0
Net Cash Used In Investing Activities	(7,048)	0	0	0	0	0
Cash Flows From Financing Activities:						
Additional (repayment of) borrowings	5,420	(975)	(204)	(1,215)	(706)	(706)
Increase (decrease) in intercompany account	385	722	228	467	502	288
Net Cash Provided By Financing Activities	5,805	(253)	24	(748)	(204)	(418)
Change in cumulative foreign currency translation adjustment	4	3	98	(14)	(1)	1
Increase (Decrease) In Cash And Cash Equivalents	\$0	\$30	(\$30)	\$0	\$0	(\$0)

National Forge Company Holdings, Inc.  
Consolidated  
Results of Operations  
Strategic Long Range Forecast (B)  
(dollars in thousands)

	Restated FY 1997	Restated FY 1998	Restated FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Net Sales	\$ 87,947	\$ 87,801	\$ 83,587	\$ 89,928	\$ 80,163	\$ 83,403	\$ 84,879
Cost of sales:							
Cost of Goods	64,825	67,044	65,027	70,106	60,655	61,942	63,722
Lifo adjustment	-	-	-	-	-	-	-
Errors and defects	2,325	2,274	1,674	1,982	1,844	1,819	1,806
Period costs	1,760	1,509	1,530	1,626	1,382	1,395	1,408
Research and development	44	175	133	372	276	276	276
Cost of sales	<u>68,954</u>	<u>71,002</u>	<u>68,364</u>	<u>74,086</u>	<u>64,157</u>	<u>65,432</u>	<u>67,212</u>
Gross profit	<u>18,993</u>	<u>16,799</u>	<u>15,223</u>	<u>15,842</u>	<u>16,006</u>	<u>17,971</u>	<u>17,667</u>
Gross Profit %	21.6%	19.1%	18.2%	17.6%	20.0%	21.5%	20.8%
Selling and Administrative	9,622	9,120	9,568	10,045	9,213	9,146	9,373
Operating profit	<u>9,371</u>	<u>7,679</u>	<u>5,655</u>	<u>5,797</u>	<u>6,793</u>	<u>8,825</u>	<u>8,294</u>
Operating Profit %	10.7%	8.7%	6.8%	6.4%	8.5%	10.6%	9.8%
Other expense (income)	875	1,062	784	1,349	1,278	1,226	1,226
Interest expense	2,224	1,958	2,196	1,964	1,524	1,153	777
Minority interest	-	(5)	(2)	28	45	50	52
Pre-tax profit	<u>6,272</u>	<u>4,664</u>	<u>2,677</u>	<u>2,456</u>	<u>3,946</u>	<u>6,396</u>	<u>6,239</u>
Pre-tax profit	7.1%	5.3%	3.2%	2.7%	4.9%	7.7%	7.4%
Extraordinary charge	-	1,166	-	-	-	-	-
Taxes	2,251	1,297	8,096	24	88	255	449
Net Income	<u>\$ 4,021</u>	<u>\$ 2,201</u>	<u>\$ (5,419)</u>	<u>\$ 2,432</u>	<u>\$ 3,858</u>	<u>\$ 6,141</u>	<u>\$ 5,790</u>
Net Income %	<u>4.6%</u>	<u>2.5%</u>	<u>-6.5%</u>	<u>2.7%</u>	<u>4.8%</u>	<u>7.4%</u>	<u>6.8%</u>
Depreciation	<u>\$ 2,094</u>	<u>\$ 2,441</u>	<u>\$ 2,729</u>	<u>\$ 3,160</u>	<u>\$ 3,481</u>	<u>\$ 3,741</u>	<u>\$ 3,942</u>

National Forge Company Holdings, Inc.  
Consolidated Balance Sheet  
Strategic Long Range Forecast (B)  
(dollars in thousands)

	Restated June 30, 1997	Restated June 30, 1998	Restated June 30, 1999	Plan June 30, 2000	Plan June 30, 2001	Plan June 30, 2002	Plan June 30, 2003
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 3,341	\$ 6,320	\$ 383	\$ 853	\$ 2,310	\$ 3,184	\$ 3,707
Restricted escrow	0	192	237	510	0	0	0
Accounts receivable	13,189	16,887	15,399	16,435	14,278	15,074	15,467
<b>Inventories:</b>							
Work in process	13,776	13,329	11,951	14,541	10,285	10,941	11,225
Raw materials	1,035	1,047	998	900	900	900	900
Supplies	2,031	2,495	2,296	2,192	2,187	2,187	2,187
Total Inventories	16,842	16,871	15,245	17,633	13,372	14,028	14,312
Prepaid expenses	444	471	84	558	503	504	504
Deferred income taxes	259	306	0	0	0	0	0
<b>Total Current Assets</b>	<b>34,075</b>	<b>41,047</b>	<b>31,348</b>	<b>35,989</b>	<b>30,463</b>	<b>32,790</b>	<b>33,990</b>
Property, Plant and Equipment - net	25,559	27,757	30,277	31,156	33,228	34,589	35,344
Deferred Income Taxes	6,443	6,235	0	0	0	0	0
Other Assets	10,463	9,760	9,351	8,844	8,334	7,825	7,317
Goodwill	4,619	10,450	9,627	9,359	8,853	8,348	7,842
<b>TOTAL ASSETS</b>	<b>\$81,159</b>	<b>\$95,249</b>	<b>\$80,603</b>	<b>\$85,348</b>	<b>\$80,878</b>	<b>\$83,552</b>	<b>\$84,493</b>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Notes payable	\$ 75	\$ 925	\$ 1,887	\$ 1,545	\$ 1,720	\$ 1,765	\$ 1,400
Current portion of long term debt	5,571	6,324	4,570	7,367	4,758	5,285	1,020
Accounts payable	4,589	6,363	5,202	5,106	5,183	5,354	5,658
Salaries, wages and commissions	3,392	4,193	4,297	5,523	1,906	1,982	1,987
Accrued taxes on income	0	169	681	393	(32)	137	281
Accrued pension	1,010	920	114	(11)	(88)	(172)	(265)
Customer deposits	305	227	117	200	200	200	200
Deferred income taxes	0	369	349	358	358	358	358
Other accrued liabilities	3,626	3,846	4,251	3,660	3,972	4,174	4,192
<b>Total Current Liabilities</b>	<b>18,568</b>	<b>23,336</b>	<b>21,468</b>	<b>24,141</b>	<b>17,977</b>	<b>19,083</b>	<b>14,831</b>
Long Term Debt	9,561	22,270	17,597	11,259	7,507	2,545	1,510
Pension and Other Noncurrent Liabilities	1,278	324	(819)	(1,006)	(956)	(1,063)	(1,063)
Postretirement and Postemployment Benefits Other Than Pensions	32,119	32,686	32,643	33,694	34,193	34,711	35,166
<b>TOTAL LIABILITIES</b>	<b>61,526</b>	<b>78,616</b>	<b>70,889</b>	<b>68,088</b>	<b>58,721</b>	<b>55,276</b>	<b>50,444</b>
Minority Interest	0	32	35	62	81	100	120
<b>SHAREHOLDERS' EQUITY</b>							
Common Stock, \$.01 Par Value-authorized 635,000 shares	2	3	4	5	5	5	5
Additional Paid in Capital	13,185	17,401	21,201	27,525	30,225	31,534	32,830
Retained Earnings (Deficit)	2,896	119	(10,759)	(8,327)	(4,486)	1,665	7,490
Minimum Pension Liability Adjustment	0	(571)	0	0	0	0	0
Foreign Currency Translation Adjustment	249	280	(68)	231	266	217	15
Treasury Stock	(200)	(633)	(699)	(2,236)	(3,934)	(5,244)	(6,560)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>19,633</b>	<b>16,601</b>	<b>9,679</b>	<b>17,198</b>	<b>22,076</b>	<b>28,176</b>	<b>33,922</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$81,159</b>	<b>\$95,249</b>	<b>\$80,603</b>	<b>\$85,348</b>	<b>\$80,878</b>	<b>\$83,552</b>	<b>\$84,493</b>
<b>WORKING CAPITAL</b>	<b>\$15,507</b>	<b>\$17,711</b>	<b>\$9,880</b>	<b>\$11,848</b>	<b>\$12,486</b>	<b>\$13,707</b>	<b>\$19,155</b>

The Irvine Plant inventories as of 6/30/99 are valued on a FIFO basis.

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National Forge Company Holdings, Inc.  
Consolidated  
Statement of Cash Flows  
Strategic Long Range Forecast (B)  
(dollars in thousands)

	Restated FY 1997	Restated FY 1998	Restated FY 1999	Forecast FY 2000	Forecast FY 2001	Forecast FY 2002	Forecast FY 2003
Cash Flows From Operating Activities:							
Net income (loss)	\$4,021	\$2,201	(\$5,419)	\$2,432	\$3,858	\$6,141	\$5,790
Adjustment to reconcile net income to net cash provided by operating activities:							
Provision for stock to be issued to the ESOP Trust	5,600	5,100	5,400	6,324	2,700	1,309	1,300
Depreciation	2,094	2,441	2,729	3,160	3,481	3,741	3,942
Amortization	1,093	2,259	1,039	1,028	1,016	1,013	1,013
Deferred taxes	(307)	215	6,541	0	0	0	0
Change in assets and liabilities:							
(Increase) decrease in restricted escrow	0	(192)	(45)	(273)	510	0	0
(Increase) decrease in accounts receivable	4,442	(2,098)	1,488	(1,036)	2,157	(796)	(393)
(Increase) decrease in inventories	2,530	482	1,626	(2,388)	4,261	(656)	(284)
(Increase) decrease in prepaid expenses	(379)	(27)	387	(474)	55	(1)	0
Increase (decrease) in accounts payable	(849)	388	(1,161)	(96)	77	171	304
Increase (decrease) in income taxes	(308)	169	512	(288)	(425)	169	144
Increase (decrease) in customer deposits	165	(78)	(110)	83	0	0	0
Increase (decrease) in all other current liabilities (excluding borrowings)	780	890	(297)	511	(3,382)	194	(70)
Other net	(196)	(2,310)	(419)	638	549	412	456
Net Cash Provided By (Used For) Operating Activities	18,686	9,440	12,271	9,621	14,858	11,697	12,202
Cash Flows From Investing Activities:							
(Additions) reductions of property, plant and equipment	(5,350)	(4,109)	(5,508)	(3,900)	(5,553)	(5,102)	(4,697)
Business Combinations	0	(7,048)	0	0	0	0	0
Cash Included in Business Combinations	0	149	0	0	0	0	0
Net Cash Used In Investing Activities	(5,350)	(11,008)	(5,508)	(3,900)	(5,553)	(5,102)	(4,697)
Cash Flows From Financing Activities:							
Additional (repayment of) borrowings	(7,640)	14,312	(5,465)	(3,883)	(6,186)	(4,390)	(5,665)
Dividend Payment	(350)	(267)	0	0	0	0	0
Repurchase of stock	(200)	(9,747)	(7,126)	(1,537)	(1,698)	(1,310)	(1,321)
Net Cash Provided By Financing Activities	(8,190)	4,298	(12,591)	(5,420)	(7,884)	(5,700)	(6,986)
Change in cumulative foreign currency translation adjustment	709	249	(109)	169	36	(21)	4
Restatement of inventories to a FIFO basis	(3,114)	0	0	0	0	0	0
Increase (Decrease) In Cash And Cash Equivalents	\$2,741	\$2,979	(\$5,937)	\$470	\$1,457	\$874	\$523



National Forge Company  
Irvine Plant - only  
Results of Operations  
Strategic Long Range Forecast (B)  
(dollars in thousands)

	Restated FY 1997	Restated FY 1998	Restated FY 1999	Forecast FY2000	Forecast FY2001	Forecast FY2002	Forecast FY2003
Net Sales	\$ 79,320	\$ 76,099	\$ 69,651	\$ 76,270	\$ 63,230	\$ 63,932	\$ 63,523
Cost of sales:							
Cost of Goods	58,306	58,114	54,287	60,129	48,350	47,882	48,291
Lifo adjustment	-	-	-	-	-	-	-
Errors and defects	2,180	2,102	1,564	1,721	1,532	1,508	1,495
Period costs	1,760	1,509	1,530	1,626	1,382	1,395	1,408
Research and development	44	175	133	372	276	276	276
Cost of sales	<u>62,290</u>	<u>61,900</u>	<u>57,514</u>	<u>63,848</u>	<u>51,540</u>	<u>51,061</u>	<u>51,470</u>
Gross profit	<u>17,030</u>	<u>14,199</u>	<u>12,137</u>	<u>12,422</u>	<u>11,690</u>	<u>12,871</u>	<u>12,053</u>
Gross Profit %	21.5%	18.7%	17.4%	16.3%	18.5%	20.1%	19.0%
Selling and Administrative	8,384	7,359	7,199	7,711	6,544	6,253	6,330
Operating profit	<u>8,646</u>	<u>6,840</u>	<u>4,938</u>	<u>4,711</u>	<u>5,146</u>	<u>6,618</u>	<u>5,723</u>
Operating Profit %	10.9%	9.0%	7.1%	6.2%	8.1%	10.4%	9.0%
Other expense (income)	873	939	379	923	858	806	781
Interest expense	2,438	1,887	1,619	1,506	1,024	612	295
Pre-tax profit	<u>5,335</u>	<u>4,014</u>	<u>2,940</u>	<u>2,282</u>	<u>3,264</u>	<u>5,200</u>	<u>4,647</u>
Pre-tax profit %	<u>6.7%</u>	<u>5.3%</u>	<u>4.2%</u>	<u>3.0%</u>	<u>5.2%</u>	<u>8.1%</u>	<u>7.3%</u>
Extraordinary charge	-	1,166	-	-	-	-	-
Taxes	1,830	994	8,035	-	-	-	-
Net Income	<u>\$ 3,505</u>	<u>\$ 1,854</u>	<u>\$ (5,095)</u>	<u>\$ 2,282</u>	<u>\$ 3,264</u>	<u>\$ 5,200</u>	<u>\$ 4,647</u>
Depreciation	<u>\$ 1,788</u>	<u>\$ 2,062</u>	<u>\$ 2,290</u>	<u>\$ 2,671</u>	<u>\$ 2,911</u>	<u>\$ 3,037</u>	<u>\$ 3,179</u>